

STOCKGROWERS STATE BANK

"JUST A FRIENDLY LITTLE BANK"

2005 SEP 12 AM 10:53



FDIC
SAN FRANCISCO REGIONAL OFFICE
DIRECTOR JOHNS F. CARTER
25 JESSIE STREET AT ECKER SQUARE
SUITE 2300
SAN FRANCISCO, CA 94105

9-6-2005

RE: WAL-MART BANK

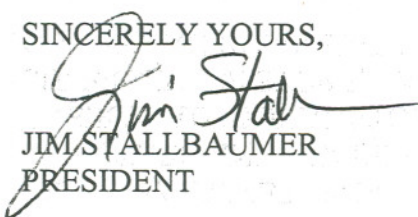
DEAR MR. CARTER

PLEASE NOTE MY DISAPPROVAL OF WAL-MART'S ATTEMPT TO ADD BANKING TO THEIR STORE SERVICES. I HAVE WATCHED MY OWN CUSTOMERS AND AREA BUSINESSES CLOSED BY WAL-MART ENTERING THEIR TRADE AREAS. CURRENTLY THEY HAVE OPENED A SUPER CENTER STORE IN MARYSVILLE, KS WHICH HAS RESULTED IN ONE OF TWO LOCALLY OWNED GROCERY STORES CLOSING AND TIME WILL TELL FOR THE OTHER AND NEARBY SMALLER COMMUNITY GROCERY STORES. THEIR TRADITIONAL STORE, CLOSED AT TIME OF OPENING THIS SUPERCENTER STORE, HAD ALREADY EMPTIED THE TOWNS MAIN STREET COMPETING BUSINESSES.

I SUPPOSE I SHOULD FEEL FORTUNATE IN THAT I CAN LIQUIDATE MY BANK AND TAKE MY CASH STOCK EQUITY AT PAR RATHER THAN THE PENNIES ON THE DOLLAR THAT THE CLOSED RETAILERS HAVE HAD TO TAKE ACROSS THE COUNTRY.

AT SOME POINT IN TIME WE ALL NEED TO RECOGNIZE ULTIMATELY THAT THIS IS A MONOLOGY IN PROCESS THAT BENEFITS A SMALL OWNERSHIP GROUP AT THE EXPENSE OF "LOCAL ECONOMIES". WHEN THEY HAVE REACHED MARKET SHARE SATURATION WHERE WILL THEIR CONTINUED PROFIT GROWTH COME FROM? HISTORICAL "NEAR MONOPOLIES" HAVE SHOWN THEY TAKE ADVANTAGE OF THOSE THEY SERVE. THEIR CUSTOMERS, SUPPLIERS AND LOCAL ECONOMIES.

SINCERELY YOURS,


JIM STALLBAUMER
PRESIDENT